



Crown Corporation

B U S I N E S S P L A N S

FOR THE FISCAL YEAR 2013–2014

Nova Scotia Housing Development Corporation *Business Plan 2013–2014*

Table of Contents

Message from the Nova Scotia Housing Development Corporation	143
Mission/Mandate	145
Strategic Goals	145
Core Businesses Areas	145
Planning Context	145
Priorities for 2013–2014	147
Budget Context	151
Outcome and Performance Measures	152

Message from the Nova Scotia Housing Development Corporation

2013–2014 is a landmark year for Nova Scotia with the launch of the province's first Housing Strategy.

This fall it was my pleasure to hear first-hand from more than 500 citizens across the province. Overwhelmingly, Nova Scotians believe that housing is critical to achieving healthy and vibrant communities. They told us housing is key to the economic and social prosperity of Nova Scotia. Housing development contributes to the growth of our economy and the creation of good jobs. They also spoke about the importance of a home. A home is more than a roof over our heads. A home is about family, friends, and neighbours, and our aspirations for independence and security. A home is important to our sense of place, to our sense of self, and it connects us to our community.

This is the focus of our Housing Strategy and our 2013–2014 business plan. Nova Scotians expect access to quality services, value for money in the delivery of housing programs and services, and accountability for performance. Our commitment is to ensure that citizens can access and receive services efficiently and effectively. Our plan will deliver

- opportunities for homeownership
- more affordable housing
- innovative approaches to social housing development
- improved access to housing and support services for our seniors, those who face disadvantage, and persons with disability

- revitalized neighbourhoods through community partnerships
- responsive and sustainable housing developments responding to demographic change and community preference

Our plan responds to what we've heard: more Nova Scotians living where they choose in homes they can afford. For individuals, families, and our communities, our housing plan provides pathways to independence, prosperity, and success.

The Honourable Denise Peterson-Rafuse
Minister, Department of Community Services

Rob Wood
Deputy Minister, Department of Community Services

Mission/Mandate

Housing is a basic need, fundamental to personal well-being, and the basis upon which to build healthy and sustainable communities.

Strategic Goals

The strategic goals of the corporation are changing to reflect the aspirations of citizens and will underpin the changes required in housing policy, programs, and structure to support the long-term viability of this important social program. Key strategic objectives include

- creating healthier, more vibrant communities through diverse mixed-market, mixed-use developments
- making housing more affordable for low- to modest-income Nova Scotians
- increasing levels of home ownership and personal equity
- developing and leveraging partnerships with municipalities, business, and social enterprise
- improving the quality of life of our most vulnerable populations: seniors, disabled, and homeless

Core Business Areas

The Housing portfolio includes four lines of business:

- Development and management of programs and services to ensure that Nova Scotians have access to safe, adequate, affordable, and sustainable housing. The range of programs and services includes
 - provincial loan and mortgage programs
 - grants for home repairs and home adaptations
 - rental housing
 - municipal property tax rebate program
- Management and administration of 11,000 public housing units
- Financing to support the province's social housing (borrowing, lending, and investing)
- Housing development

Planning Context

Since the corporation was created in 1986, the demographic landscape of Nova Scotia has changed dramatically. This change is putting increasing pressure on current housing programs to meet the changing needs of citizens.



Aging Population – Population projections for Nova Scotia clearly point out that the population is aging. In 2011, about 16 per cent of the population was aged 65 and over. Over the next 20 years, the proportion of the population aged 65 and over will grow to 20 per cent (1 in 5) by 2018, 25 per cent (1 in 4) by 2026, and just under 30 per cent by 2033.

Changing Household Profile – In the last 15 years the face of the typical household in Nova Scotia has changed significantly. In 1996 only 27 per cent of households consisted of one or two people; today that number has surpassed 60 per cent and is climbing. Currently, single individuals and single parents are the largest groups of citizens in core housing need (spending 30 per cent or more of their income to cover shelter costs).

Better Outcomes – Nova Scotia, especially HRM, currently has a large number of concentrated public developments, and these housing units frequently cluster low-income residents into discrete developments and neighbourhoods. Research indicates that concentrations of low-income households are strongly linked to poorer education, health, social, and economic outcomes.

Challenging Housing Market – Median household incomes in Nova Scotia are below all other Atlantic provinces and are the second lowest in Canada, while having the highest average monthly rents among the Atlantic provinces. This makes obtaining safe and affordable housing all

the more challenging. Without the ability to accumulate equity, home ownership remains just out reach for many low- and modest-income Nova Scotians. The most recent Statistics Canada data indicate that in 2006, 43,800 households, representing 12.1 per cent of all Nova Scotia households, were in core housing need, falling below adequacy, suitability, or affordability standards.

Changing Demands in Regional Areas – Significant economic and population growth in some regional areas has created a demand for additional housing. Other regions have experienced a decline in population. Housing solutions need to be tailored to the particular housing needs of changing communities.

High Incidence of Disability – Nova Scotia also has the highest level of self-identified disability in Canada, increasing from 17.1 per cent of the population in 2001 to 20 per cent in 2006. The demand for home adaption and repair programs that would enable people to remain in their own homes is growing. At the same time, in most communities, access to supportive housing has become increasingly challenging. In addition, there are some 1,000 persons with disabilities who currently live in large congregate facilities.

Aging Housing Stock – Nova Scotia has some of the oldest housing stock in the country, with 33 per cent of housing at least 50 years old, the second highest percentage in the country. Related to the age of its housing stock, Nova Scotia has the second highest percentage of dwellings in need of

major repairs among the Atlantic provinces. Many of the province's seniors are living in these older homes, and maintaining them is becoming more expensive, especially for those on fixed incomes.

Changing Financial Resources – In 1997, the province took full accountability through the NSHDC for social housing in the province. In return the federal government funded approximately 75 per cent of the costs to operate social housing. The federal share is declining over time until it reaches zero in 2034. Currently, in 2013, the federal government will be paying on average approximately \$2 million less per year, leaving the province to pick up these costs.

Environmental Imperatives – The future health and sustainability of our communities require that we use natural resources in the most efficient way and that we build smarter, more sustainably planned developments that reduce our urban sprawl and carbon footprint and improve walkability and access to public transit.

The province's housing programs need to evolve to remain relevant to individual and community needs and be responsive to market conditions. The following section describes our plan to work toward achieving the strategic housing goals of the province.

Priorities for 2013–2014

Creating healthier, more vibrant communities through diverse mixed-market, mixed-use developments

Why is this important?

Research shows that one of the most influential ways to change outcomes for low-income Nova Scotians is to diversify communities. In such communities, children of families with high and low incomes grow up side-by-side in neighbourhoods where buildings look very similar, and which units are subsidized remains unknown, thereby removing or reducing the stigma associated with public and affordable housing.

Priority: Mixed-Market Developments

The province in partnership with the private and not-for-profit sectors will move away from stand-alone public housing projects and toward the development of mixed-income and mixed-tenure communities, which enable the re-investment of profits into the provision of additional affordable housing and supportive services.

In 2012 the province was selected as the preferred proponent to redevelop the old Bloomfield School in the north end of Halifax. The mixed-use, mixed-income model includes affordable, accessible, and sustainable housing made up of lofts and



one-, two-, and three-bedroom apartments and townhouses alongside community, cultural, and commercial space.

Serving as a model for future developments, in 2013–2014 the province will pursue a number of other mixed-market community revitalization projects. Each of these projects will have a range of income levels, ownership conditions, and family types. In particular, each project will include affordable housing for singles, seniors, and persons with disabilities.

Making housing more affordable for low- to modest-income Nova Scotians

Why is this important?

The home you live in plays a key role in shaping everything from your family life to your community, town or city. When people are able to choose the housing that's right for them, they're more likely to have a strong network of friends and neighbours. They have better access to everything from career opportunities to public services. Their children are healthier and happier and do better in school. Positive outcomes such as these means lower health, education, and public service costs, a stronger economy, less pollution and waste, and better communities all around.

Priority: Improve the Range of Affordable Housing Options

Through unit conversions and development of new homes the province plans to improve the range of affordable housing options to include

- a range of rental and affordable home ownership options such as full-market rental, mid-tier rental, full subsidy, and home ownership
- more modestly sized and priced homes at a price point that people with more modest incomes can afford
- more rent supplements for families and single individuals with disabilities

Increasing levels of home ownership and personal equity

Why is this important?

One of the principle challenges facing low-income Nova Scotians is their frequent struggle to gain equity. Many Nova Scotians are unable to accumulate savings, as all their income goes to pay for living expenses. While their incomes rise, so too does inflation, and they continuously find themselves just out of reach of home ownership. At the same time, for young citizens who are employed but have student loans, the extensive debt associated with student loans makes them risky for traditional financing. The absence of personal equity also exists for people living in co-op housing, which in some instances leads to buildings being poorly maintained and the province being called upon to repair buildings to ensure that people are able to maintain housing.

**Priority: Pilot New Programs
to Enable Home Ownership**

Through the Housing Strategy, the province will become a leader in developing innovative financing options for low- to modest-income individuals. Support could be in the form of a grant to fix up a home, financing to buy the home, or assistance while families build the capacity to move from rental to ownership.

New home ownership/equity programs could involve down payment assistance, lease-to-own options, mortgage assistance, graduate home ownership program, and shared home ownership.

***Developing and leveraging
partnerships with municipalities,
business, and social enterprise*****Why is this important?**

Each community in Nova Scotia is unique. Some have vibrant economies and growing populations while others struggle with out-migration of their younger citizens looking for work. Solutions to these challenges exist, and single-purpose programs with rigid guidelines do not offer the innovative solutions needed for these communities to flourish.

**Priority: Community
Revitalization Partnerships**

The province will partner with all levels of government, the private sector, and the not-for-profit community to build healthy communities – communities that reflect a diversity of incomes and housing types.

Getting there will require the creation of effective horizontal structures, systems, and processes to facilitate the generation and implementation of innovative solutions. By working together, we will support local community plans and zoning strategies that support true community development.

***Improving the quality of life of
our most vulnerable populations –
seniors, disabled, and homeless*****Why is this important?**

Nova Scotia's seniors and those with disabilities want to participate and remain in their homes and communities. Housing that can accommodate their needs, and provides ready access to the support and services they rely on, allows them to live with dignity and independence. For others, like those who frequently use shelters, those with substance abuse issues, and other vulnerable populations, a home allows them stabilize their lives, gain a renewed sense of community, return to school, raise a family, or train for a better job.

Priority: Support for Community Living

Starting in 2013–2014, utilizing existing resources, the province will

- provide innovative home adaption and renovation options for seniors and persons with disabilities and their families
- develop living options for people with disabilities to be integrated into the community



- develop a housing-first model to enable the homeless and at-risk populations to find a stable, safe, and permanent place to call home

A housing-first model includes a range of services and supports, tailored to an individual's needs and capabilities, to help them appreciate their strengths and address the challenges they face. Those services might range from addiction and mental health services to help with daily errands like shopping, to finding opportunities to volunteer or to land a job.

Budget Context

	Estimate 2012-13 (\$ 000)	Forecast 2012-13 (\$ 000)	Estimate 2013-14 (\$ 000)
Funding source			
Revenue from government sources	101,411	106,786	106,045
Revenue from rents	52,200	52,200	52,975
Interest, revenue from land sales, and other revenue	30,334	29,361	30,380
Total funding	183,945	188,347	189,400
Expenditure source			
Interest on long-term debt	44,341	43,343	44,100
Property management and operation	49,472	51,000	53,500
Maintenance and capital improvements	30,624	32,000	32,500
Housing renovation and affordable housing	18,160	25,004	21,900
Social housing subsidies	17,228	17,100	17,100
Depreciation of investment in social housing	18,900	17,400	17,800
Administration fee and cost of land sold	5,220	2,500	2,500
Total expenditures	183,945	188,347	189,400



Outcome and Performance Measures

With the implementation of the Nova Scotia Housing Strategy, a new performance measurement framework will be developed over the coming year as follows.

Indicator	Measures	Target 2013-14
Our Services		
Timely service	Percentage of satisfied clients / public housing tenants	TBD
Access to knowledgeable staff	Number of complaints	Benchmark client/tenant survey
Access to information		
Fair treatment		
Our Homes		
Supply of affordable housing	Number of new homes & rental units	Increase
Access to supportive housing	Number of new accessible/supportive homes	Increase
Availability of repair & adaption programs	Number of home repairs and adaptations	Increase
New opportunities for home ownership	Number of new homeowners	Increase
Our Communities		
Community diversity	TBD	TBD
Core housing need	Percentage of households in core housing need	Reduce
Incidence of homelessness	Number of persons accessing shelters	Reduce
New partnership developments	Number of new partnerships	Increase
Community capacity	Social, environmental, and economic contributions made by partners	Increase
	TBD	

Indicator	Measures	Target 2013-14
Sustainability and Public Value		
Earnings before interest and taxes	TBD	TBD
Revenue from non-government sources	TBD	Increase
Operational efficiency	Cost per housing unit	Reduce
Provincial return on investment	Percent change in asset value	Improve
Our People		
Engaged staff	Employee Engagement Index	Improve
	Employee turnover	Reduce
	Employee retention	Increase

